## IN THE UNITED STATES COURT OF FEDERAL CLAIMS

BLUE CARE NETWORK OF MICHIGAN, and BLUE CROSS BLUE SHIELD OF MICHIGAN MUTUAL INSURANCE COMPANY,

Plaintiffs,

No. 20-1000

(Judge Davis)

v.

THE UNITED STATES,

Defendant.

## **JOINT STATUS REPORT**

The parties respectfully submit this joint status report to request that the Court continue the stay of the remaining counts of plaintiffs' First Amended Complaint (Counts III and IV), which both concern plaintiffs' cost-sharing reduction (CSR) claims, for 60 days.

This case is currently stayed because the Government is working with a number of CSR plaintiffs to determine whether they may efficiently resolve this matter without further litigation or at least streamline these cases. *See* Doc. 22 at 1. On December 8, 2021, the Court continued the stay and ordered the parties to file a joint status report or joint stipulation of dismissal on or before January 12, 2022. *See* Doc. 25 at 1.

The parties request that the Court continue the stay to provide more time for the broader discussions about possible approaches to resolving this and other CSR cases. As the parties reported before, counsel for a large number of plaintiff health plans shared a proposal with the Government on December 3, 2021. The Government is reviewing the proposal and consulting with the client agency and its actuaries. The Government hopes to provide Plaintiffs with a

substantive response by late January. Plaintiffs here have expressed a willingness to consider seriously the method, if any, that the Government is able to agree to with the other CSR plaintiffs for resolving or streamlining the CSR cases. The complexity of the CSR cases and the number of interested stakeholders necessitate that the parties be afforded additional time for these efforts.

In addition, the parties here are discussing with each other and may present to the Court, other options to partially or fully resolve the remaining claims. Good cause therefore exists to continue the stay.

In addition, continuing the stay for 60 days is warranted given that the Government has agreed that it will stipulate to liability and damages for Plaintiffs' claims for CSR amounts owed for 2017 in this case and the parties will work together in the next 30 days to present the Court with a joint stipulation and motion for entry of partial final judgment as to CSR damages the Government owes Plaintiffs for 2017 in this case.

Accordingly, the parties jointly request that the Court continue the stay in this case for 60 days, until March 13, 2022, to file the next joint status report in which the parties will update the Court on the status of their efforts to fully resolve this matter.

Respectfully submitted,

BRIAN M. BOYNTON Acting Assistant Attorney General

PATRICIA M. McCARTHY Director

/s Claudia Burke
CLAUDIA BURKE
Assistant Director
/s Christopher J. Carr

/s Christopher J. Carney
CHRISTOPHER J. CARNEY
Senior Litigation Counsel
Commercial Litigation Branch
Civil Division
U.S. Department of Justice
P.O. Box 480
Ben Franklin Station
Washington, DC 20044
Telephone: (202) 305-7597
Facsimile: (202) 353-0461
Email: chris.carney@usdoj.gov

Attorneys for Defendant

/s Howard J. Stanislawski

Howard J. Stanislawski SIDLEY AUSTIN LLP 1501 K Street NW Washington, DC 20005 (202) 736-8000 hstanislawski@sidley.com

Of Counsel:

Thomas D. Cunningham SIDLEY AUSTIN LLP One South Dearborn Street Chicago, IL 60603 tcunningham@sidley.com

Attorneys for Plaintiffs

January 11, 2022